

WASHINGTON (July 29) – Congressman Spencer Bachus (AL-6) says inflexible regulations are compounding the economic damage that the BP oil spill has inflicted on communities in Alabama and Gulf Coast states.

Bachus invited Gulf Shores Mayor Robert Craft to testify today at a House Financial Services Committee hearing on the economic fallout from the oil leak. Bachus said excessive regulatory demands being imposed by federal bank examiners on small businesses and local financial institutions have created a “vicious cycle.”

“We are seeing a preview of what we may experience throughout the country – a cascade effect of less tourism, a diminished capacity to repay loans, lower appraisals which depress property values, fewer real estate sales, and overall lower revenues for businesses and smaller communities. In Alabama, the financial impact has rippled from the shoreline throughout our entire state due to less tax revenue. Aggravating that situation are unfulfilled promises by BP to compensate for losses, which is particularly upsetting when the citizens of Alabama see BP’s public relations campaign on TV claiming to expedite the claims,” said Bachus, who is Ranking Member on the Committee.

Bachus was told by Mayor Craft that communities are facing a “devastating” financial situation. Bachus said he will seek answers from the regulators and continue to work with the Alabama delegation and other colleagues to develop bipartisan solutions to the economic and environmental issues facing the Gulf.

*To view Congressman Bachus’ statement at the committee hearing, [click here](#).*